



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

ANDY DILLON
STATE TREASURER

MINUTES OF THE MEETING OF THE STATE TAX COMMISSION

***Lansing Center, Meeting Room 201
333 East Michigan Avenue
Lansing, Michigan***

***Tuesday, June 12, 2012
9:00 a.m.***

***PRESENT: Douglas B. Roberts, Chair STC
Robert H. Naftaly, Member STC
Barry S. Simon, Member STC***

***Kelli Sobel, Executive Secretary
LaNiece Densteadt, Recording Secretary***

The item numbers referred to in the minutes correspond to the agenda items as numbered.

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the minutes of June 5, 2012. (Item 1 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt staff recommendations regarding the State Assessed Appeals that were heard at the meeting on June 5, 2012. (Item 2 on agenda)

Centurylink:

The Commission approved no change for the 2012 year. The Commission also approved to change the State Assessed Reporting requirements for 2013 to gather data regarding copper usage in the following categories: used, may be used, never will be used; and have staff review that information and make a recommendation to the STC in 2013 regarding possible reductions. The Commission also approved no allowance for fiber equipment or for copper equipment and no change in the floor for Tables H and I.

Michigan Bell:

The Commission approved to change the value for the Southfield facility, for parcel 63-68-01-20-100-001 to \$14,625,000.

Allband Communications:

The Commission approved the recommendation of no change for the 2012 year.

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the Final 2012 State-Assessed Roll with the following values: (Item 2 on agenda)

Railroad Companies

Final True Cash Value	\$ 1,674,874,144
Final Assessed Cash Value	\$ 837,437,072
Final Capped Value	\$ 571,502,135
Final Taxable Value	\$ 550,381,972

Telephone and Telegraph Companies

Final True Cash Value	\$ 3,245,091,834
Final Assessed Cash Value	\$ 1,622,545,917
Final Capped Value	\$ 1,824,400,654
Final Taxable Value	\$ 1,622,011,884

Car Loaning Companies

Final True Cash Value	\$ 155,519,076
Final Assessed Cash Value	\$ 77,759,538
Final Capped Value	\$ 77,733,900
Final Taxable Value	\$ 77,733,900

Total Utility Roll

Final True Cash Value	\$ 5,075,485,054
Final Assessed Cash Value	\$ 2,537,742,527
Final Capped Value	\$ 2,473,636,689
Final Taxable Value	\$ 2,250,127,756

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt staff recommendation to classify the Good Will Inc. and Meijer Inc. real property parcels of 5803-001-098-00, 5803-001-082-00, 5803-001-100-00, 5803-050-008-00, 5803-001-062-00, 5803-001-090-00, and 5803-001-099-00 as Commercial Real. The Commission also approved staff recommendation to classify the parcel of 5803-200-037-00 as Commercial Personal based upon the fact that classification of the personal property must follow the classification of the real property. Commissioner Naftaly stated that with all due respect to Mr. Vujea the Property Tax Manager, a warehouse is a warehouse, the fact that they wash or may wash fruits and vegetables it doesn't make them a manufacturer. Meijer's buys from manufacturers, they are not manufacturing, so clearly a warehouse is a warehouse is a warehouse. They distribute, divide things up, send them to the truck, and that is what all the conveyers are for. (Item 3 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt staff recommendation on classification appeal 11-0220 / Wolverine Power Supply Cooperative as Industrial Personal. (Item 4 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt Executive Secretary Sobel's recommendation to order single year studies for the residential class for 2013 equalization and use the same exception process as in prior years. (Item 5 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved a list of commonly approved Air Pollution Control Equipment and Water Pollution Control Equipment. (Item 6 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved the Affidavit for Poverty Exemptions as required by statute and revisions to the Poverty Bulletin to be issued as Bulletin 5 of 2012. (Item 7 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved the OPRA Qualified Local Governmental Units. (Item 8 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the list of Certification Applicants. ([See attached link for file identification.](#)) (Item 9 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the staff recommendation on the Exemptions Agenda. ([See attached link for file identification.](#)) (Item 10 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the staff recommendation on the Re-certifications and New Certifications of Computerized Tax Rolls for the following: (Item 11 on agenda)

These certifications will expire on **May 1, 2015**.

New Certifications:

Oakland County

City of Farmington Hills
City of Southfield

Recertification's

Monroe County

Village of Carleton
Village of South Rockwood
Ash Township
Bedford Township
Berlin Charter Township
Exeter Township
Raisinville Township

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the MCL 211.154 **Concurrences**. ([See attached link for file identification.](#)) (Item 12 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the MCL 211.154 **Special Items Agenda**. ([See attached link for file identification](#)) (Item 13 on agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved to **postpone** the following MCL 211.154 petitions until **August 28, 2012**. (Item 14 on agenda)

Kimball Township, St. Clair County

154-11-2230 LUMBERJACK REALTY CO.; 74-25-999-0035-850; PERSONAL PROPERTY

2009 AV from \$ 0 to \$ 150,000 TV from \$ 0 to \$ 150,000

2010 AV from \$ 0 to \$ 150,000 TV from \$ 0 to \$ 150,000

City of Ann Arbor, Washtenaw County

154-11-2246 JC PENNEY CORPORATION; 90-00-048-929; PERSONAL PROPERTY

2009 AV from \$ 549,500 to \$ 743,926 TV from \$ 549,500 to \$ 743,926

2010 AV from \$ 548,500 to \$ 680,309 TV from \$ 548,500 to \$ 680,309

2011 AV from \$ 514,900 to \$ 631,469 TV from \$ 514,900 to \$ 631,469

City of Ecorse, Wayne County

154-11-2304 PRAXAIR INC.; 82-34-999-00-0758-540; PERSONAL PROPERTY

2009 AV from \$ 11,526,000 to \$ 12,098,000 TV from \$ 11,526,000 to \$ 12,098,000

154-11-2305 PRAXAIR INC.; 82-34-998-01-9892-003; PERSONAL-IFT PROPERTY

2009 AV from \$ 5,600,400 to \$ 6,923,000 TV from \$ 5,600,400 to \$ 6,923,000

154-11-2306 PRAXAIR INC.; 82-34-999-00-2039-001; PERSONAL PROPERTY

2009 AV from \$ 7,489,000 to \$ 0 TV from \$ 7,489,000 to \$ 0

It was moved by Naftaly, supported by Simon, and unanimously approved to **postpone** the following MCL 211.154 petitions until **September 25, 2012**. (Item 14 on agenda)

Saint James Township, Charlevoix County

154-11-2160 RUTH C. WANTY TRUSTEE - JEANNINE LESLIE; 15-013-222-019-20; REAL PROPERTY

2009 AV from \$ 59,800 to \$ 0 TV from \$ 21,731 to \$ 0

2010 AV from \$ 59,800 to \$ 0 TV from \$ 21,665 to \$ 0

2011 AV from \$ 48,200 to \$ 0 TV from \$ 22,033 to \$ 0

It was moved by Naftaly, supported by Simon, and unanimously approved to **postpone** the following MCL 211.154 petitions. (Item 14 on agenda)

East Bay Township, Grand Traverse County

154-10-1054 MERIT ENERGY; 28-03-900-107-09; PERSONAL PROPERTY

2008 AV from \$ 0 to \$ 91,750 TV from \$ 0 to \$ 91,750
2009 AV from \$ 0 to \$ 85,800 TV from \$ 0 to \$ 85,800
2010 AV from \$ 0 to \$ 82,850 TV from \$ 0 to \$ 82,850

154-10-1589 MERIT ENERGY; 28-03-900-100-12; PERSONAL PROPERTY

2008 AV from \$ 0 to \$ 60,500 TV from \$ 0 to \$ 60,500
2009 AV from \$ 0 to \$ 178,450 TV from \$ 0 to \$ 178,450
2010 AV from \$ 0 to \$ 161,200 TV from \$ 0 to \$ 161,200

154-10-1590 MERIT ENERGY; 28-03-900-107-08; PERSONAL PROPERTY

2008 AV from \$ 0 to \$ 52,950 TV from \$ 0 to \$ 52,950
2009 AV from \$ 0 to \$ 52,950 TV from \$ 0 to \$ 52,950
2010 AV from \$ 0 to \$ 52,950 TV from \$ 0 to \$ 52,950

154-10-1591 MERIT ENERGY; 28-03-900-225-01; PERSONAL PROPERTY

2008 AV from \$ 0 to \$ 59,500 TV from \$ 0 to \$ 59,500
2009 AV from \$ 0 to \$ 59,500 TV from \$ 0 to \$ 59,500
2010 AV from \$ 0 to \$ 59,500 TV from \$ 0 to \$ 59,500

154-10-1592 MERIT ENERGY; 28-03-900-116-15; PERSONAL PROPERTY

2008 AV from \$ 0 to \$ 36,550 TV from \$ 0 to \$ 36,550
2009 AV from \$ 0 to \$ 36,550 TV from \$ 0 to \$ 36,550
2010 AV from \$ 0 to \$ 36,550 TV from \$ 0 to \$ 36,550

City of Manistee, Manistee County

154-10-1707 AZTEC PRODUCING CO. INC.; 51-51-290-011-00; PERSONAL PROPERTY

2008 AV from \$ 59,100 to \$ 53,350 TV from \$ 59,100 to \$ 53,350
2009 AV from \$ 59,100 to \$ 52,800 TV from \$ 59,100 to \$ 52,800
2010 AV from \$ 59,100 to \$ 53,050 TV from \$ 59,100 to \$ 53,050
2011 AV from \$ 59,100 to \$ 53,100 TV from \$ 59,100 to \$ 53,100

154-10-1708 AZTEC PRODUCING CO. INC.; 51-51-190-063-00; PERSONAL PROPERTY

2008 AV from \$ 51,800 to \$ 208,150 TV from \$ 51,800 to \$ 208,150
2009 AV from \$ 51,800 to \$ 221,600 TV from \$ 51,800 to \$ 221,600
2010 AV from \$ 51,800 to \$ 217,650 TV from \$ 51,800 to \$ 217,650
2011 AV from \$ 51,800 to \$ 212,900 TV from \$ 51,800 to \$ 212,900

City of Manistee, Manistee County

154-10-1709 AZTEC PRODUCING CO. INC.; 51-51-190-062-00; PERSONAL PROPERTY

2008 AV from \$ 367,500 to \$ 381,150 TV from \$ 367,500 to \$ 381,150
2009 AV from \$ 367,500 to \$ 463,350 TV from \$ 367,500 to \$ 463,350
2010 AV from \$ 367,500 to \$ 474,650 TV from \$ 367,500 to \$ 474,650
2011 AV from \$ 367,500 to \$ 453,800 TV from \$ 367,500 to \$ 453,800

154-10-1710 AZTEC PRODUCING CO. INC.; 51-51-190-016-00; PERSONAL PROPERTY

2008 AV from \$ 55,000 to \$ 109,250 TV from \$ 55,000 to \$ 109,250
2009 AV from \$ 55,000 to \$ 104,000 TV from \$ 55,000 to \$ 104,000
2010 AV from \$ 55,000 to \$ 99,250 TV from \$ 55,000 to \$ 99,250
2011 AV from \$ 55,000 to \$ 96,900 TV from \$ 55,000 to \$ 96,900

It was moved by Naftaly, supported by Simon, and unanimously approved to **amend** the following MCL 211.154 petitions. (Item 14 on agenda)

Leoni Township, Jackson County

154-11-2178 T & K REAL ESTATE HOLDINGS LLC; 000-14-09-132-015-01; REAL PROPERTY

2009 AV from \$ 228,450 to \$ 228,450 TV from \$ 39,810 to \$ 174,185
2010 AV from \$ 191,400 to \$ 128,500 TV from \$ 39,690 to \$ 128,500
2011 AV from \$ 186,370 to \$ 128,500 TV from \$ 40,364 to \$ 128,500

City of Southfield, Oakland County

154-11-2219 MILLENIUM DENTISTRY; 76-99-76-469-975; PERSONAL PROPERTY

2010 AV from \$ 27,410 to \$ 29,910 TV from \$ 27,410 to \$ 29,910
2011 AV from \$ 35,860 to \$ 38,360 TV from \$ 35,860 to \$ 38,360

It was moved by Naftaly, supported by Simon, and unanimously approved to **deny** the following MCL 211.154 petitions. (Item 14 on agenda)

City of Warren, Macomb County

154-11-2185 RICHFIELD EQUITIES LLC; 89-24-332-001; REAL PROPERTY

2009 AV from \$ 0 to \$ 200,050 TV from \$ 0 to \$ 200,050

Northfield Township, Washtenaw County

154-11-2242 CHESTER & MARILYN BRIMER; B-02-25-200-010; REAL PROPERTY

2009 AV from \$ 112,900 to \$ 196,280 TV from \$ 112,900 to \$ 196,280
2010 AV from \$ 111,800 to \$ 195,180 TV from \$ 111,800 to \$ 195,180
2011 AV from \$ 161,800 to \$ 186,320 TV from \$ 161,800 to \$ 186,320

It was moved by Naftaly, supported by Simon, and unanimously approved the following MCL 211.154 petitions as **concurrences**, initially noticed as non-concurrences. (Item 14 on agenda)

City of Traverse City, Grand Traverse County

154-11-2064 A GIRL'S THING PAINTING CO.; 28-51-900-900-06; PERSONAL PROPERTY

2009 AV from \$ 0 to \$ 1,310 TV from \$ 0 to \$ 1,310

2010 AV from \$ 0 to \$ 1,280 TV from \$ 0 to \$ 1,280

2011 AV from \$ 0 to \$ 790 TV from \$ 0 to \$ 790

154-11-2241 WENDLAND SURVEYING PC; 28-51-900-785-06; PERSONAL PROPERTY

2009 AV from \$ 0 to \$ 2,620 TV from \$ 0 to \$ 2,620

2010 AV from \$ 0 to \$ 2,430 TV from \$ 0 to \$ 2,430

2011 AV from \$ 0 to \$ 2,290 TV from \$ 0 to \$ 2,290

Green Lake Township, Grand Traverse County

154-11-1555 PINE RIDGE RESORT; 28-07-900-211-47; PERSONAL PROPERTY

2009 AV from \$ 0 to \$ 860 TV from \$ 0 to \$ 860

2010 AV from \$ 0 to \$ 690 TV from \$ 0 to \$ 690

2011 AV from \$ 0 to \$ 560 TV from \$ 0 to \$ 560

Hadley Township, Lapeer County

154-11-2180 LINDA HALE TRUST; 44-010-025-003-00; PERSONAL PROPERTY

2009 AV from \$ 203,365 to \$ 262,766 TV from \$ 203,365 to \$ 262,766

2010 AV from \$ 197,426 to \$ 255,420 TV from \$ 197,426 to \$ 255,420

City of Brighton, Livingston County

154-11-2291 DEBORAH GOTTLIEB PORLICK; 4718-99-003-116; PERSONAL PROPERTY

2011 AV from \$ 0 to \$ 1,520 TV from \$ 0 to \$ 1,520

City of Midland, Midland County

154-11-2294 COREY B. & TONI A. RODNICK; 14-06-92-148; REAL PROPERTY

2009 AV from \$ 194,500 to \$ 358,900 TV from \$ 194,500 to \$ 358,900

2010 AV from \$ 192,600 to \$ 355,300 TV from \$ 192,600 to \$ 355,300

2011 AV from \$ 192,600 to \$ 355,300 TV from \$ 192,600 to \$ 355,300

City of Birmingham, Oakland County

154-11-2199 PAYNET MERCHANT SERVICES; 08-99-00-006-107; PERSONAL PROPERTY

2009 AV from \$ 17,550 to \$ 30,030 TV from \$ 17,550 to \$ 30,030

City of Pontiac, Oakland County

154-11-2204 CHARLES LOWE; 63-64-14-28-184-006; REAL PROPERTY

2011 AV from \$ 0 to \$ 1,310 TV from \$ 0 to \$ 1,310

154-11-2209 RESCUED HOMES; 63-64-14-29-282-032; REAL PROPERTY

2010 AV from \$ 4,250 to \$ 30,000 TV from \$ 4,250 to \$ 30,000

2011 AV from \$ 3,400 to \$ 27,500 TV from \$ 3,400 to \$ 27,500

City of Rochester, Oakland County

154-11-2213 MW GOLF; 68-99-00-003-047; PERSONAL PROPERTY

2011 AV from \$ 0 to \$ 1,330 TV from \$ 0 to \$ 1,330

City of Wixom, Oakland County

154-11-2226 G-TECH; 96-99-00-010-030; PERSONAL PROPERTY

2011 AV from \$ 10,000 to \$ 20,000 TV from \$ 10,000 to \$ 20,000

Orion Township, Oakland County

154-11-2193 DASI SOLUTIONS; O-99-00-011-036; PERSONAL PROPERTY

2011 AV from \$ 44,130 to \$ 72,810 TV from \$ 44,130 to \$ 72,810

City of Allen Park, Wayne County

154-11-2249 FORD MOTOR COMPANY; 30-999-00-2002-003; PERSONAL PROPERTY

2009 AV from \$ 5,397,300 to \$ 7,509,600 TV from \$ 5,397,300 to \$ 7,509,600

It was moved by Simon, supported by Roberts, and unanimously approved to adopt all other MCL 211.154 petitions. ([See attached link for file identification.](#)) (Item 14 on agenda)

Public Comment (Item 15 on agenda): No member of the public wished to comment.

It was moved by Naftaly, supported by Simon, to go into closed session. Roll Call Vote: Chairperson Roberts – Yes, Commissioner Naftaly – Yes, Commissioner Simon – Yes. The motion was unanimously approved.

It was moved by Naftaly, supported by Simon, and unanimously approved to return to open session. Roll Call Vote: Chairperson Roberts – Yes, Commissioners Naftaly – Yes, Commissioner Simon – Yes. The motion was unanimously approved.

It was moved by Naftaly, supported by Simon, and unanimously approved to adopt the official order to return jurisdiction of the 2010 assessment roll for Freesoil Township, Mason County. (Add on to agenda)

It was moved by Naftaly, supported by Simon, and unanimously approved staff's recommendation and remove Jaime Barra from the Michigan Masters Assessing Officer May 2012 Program due to his inability to complete the assignments for the program. The Commission also approved to prohibit Mr. Barra from applying to the May 2013 Program. (Add on to the agenda)

The Commission received a letter from Wexford County Equalization asking if the language in their Union negotiations states if wage increases tie in with taxable value increases would be a conflict of interest. It was moved by Roberts, supported by Naftaly, and unanimously approved that it is the opinion of the Commission it is a conflict of interest to tie wage increases in with taxable value increases and could result in undo pressure to the assessor and/or equalization director and staff. (Add on to the agenda)

The Commission received a request from Charlevoix County to file an amicus brief in the Sabastian Manusco Family Trust vs. City of Charlevoix case. It was moved by Naftaly, supported by Simon, and unanimously approved to ask the Attorney General's office to file an amicus brief on behalf of the Commission. (Add on to the agenda)

The Commission received a request from their attorney's asking to file an appeal regarding the Gordon Food Service, Livingston County Circuit Court Case 10-25531. It was moved by Naftaly, supported by Simon, and unanimously approved to ask the Attorney General's office to file an appeal in the Court of Appeals. (Add on to the agenda)

The Commission received a request from the Attorney General's office asking to appeal the DTE Pontiac North 2009 classification case in the Oakland County Circuit Court. It was moved by Naftaly, supported by Simon, and unanimously approved not to file an appeal in the Court of Appeals. (Add on to the agenda)

The Commission received settlement offers from MCI and Frontier Communications, regarding State Assessed properties. It was moved by Naftaly, supported by Simon, and unanimously approved to provide a counter offer to the companies that represent a reduction consistent with that reduction provided to Michigan Bell on the Southfield property, and also authorize staff to take actions necessary to settle these cases. (Add on to the agenda)

Chairman Roberts requested Executive Secretary Sobel to set up a meeting with the Attorney General's Office, to include only Brad Morton, Rusty Hills, Executive Secretary Sobel and the Chairman to discuss legal issues. (Add on to the agenda)

The next Commission meeting will be held August 28, 2012 at the Lansing Center in Meeting Room 201, 333 East Michigan Avenue, Lansing.

It was moved by Roberts, supported by Naftaly, and unanimously approved to adjourn the meeting of the State Tax Commission at 11:15 a.m.

DATED TYPED: **June 12, 2012**

DATE APPROVED: **August 28, 2012**

Douglas B. Roberts, Chair
State Tax Commission

Robert H. Naftaly, Member
State Tax Commission

Barry N. Simon, Member
State Tax Commission